

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

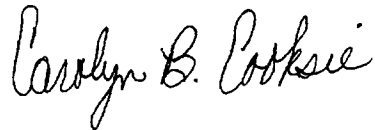
Notice FC-130

1956-B

For: State and County Offices

Clarifying Notice FC-123 for Settling Million Dollar Accounts

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

**A
Background**

Notice FC-123:

- provided direction and authorities to State and County Offices for processing debt settlement requests
- required a review of accounts that have been charged off since FY 1988.

**B
Purpose**

This notice:

- clarifies Notice FC-123, subparagraph 2 B
- cancels Notice FC-79.

**C
Contacts**

State Offices shall direct questions about the collection and resolution of delinquent million dollar accounts to Arthur V. Hall, Director, or Bruce Mair, Senior Loan Officer, LSPMD, through the Area Office.

Disposal Date

June 1, 1998

Distribution

State Offices; State Offices relay to County Offices

Notice FC-130

2 Settlements of \$1 Million Dollar Farm Loan Programs Accounts

A

Delegation of Authority

The Note in Notice FC-123, subparagraph 2 B contains an error. SED's shall follow the provisions in this paragraph.

Debt settlement of \$1 million or more, including cancellation of charged off accounts, shall be sent to the National Office for review and approval. Following are the only exceptions to this rule.

- All liable parties have received a bankruptcy discharge. SED's are authorized to process the settlement of these accounts under Notice FC-123, subparagraph 2 A.
- The U.S. Attorney's Office or Civil Division of the Department of Justice negotiated and approved the settlement. Under Notice FC-123, subparagraph 2 B, SED's are authorized to process the settlement of these accounts when directed by the U.S. Attorney's Office.

3 Obsolete Material

A

Obsolete Notice

Notice FC-79 is obsolete.
